

**Government of the District of Columbia
Office of the Chief Financial Officer**

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CHAIRMAN CROPP

Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Linda W. Cropp
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer

DATE: MAR -1 2005

SUBJECT: Fiscal Impact Statement: "Excepted Service Employees
Compensation System Changes Approval Resolution 2005"

REFERENCE: Draft Resolution to be Introduced – No Bill Number Available

Conclusion

Funds are sufficient in the FY 2005 through FY 2008 budget and financial plan. All agencies implementing the proposed compensation system changes will be required to remain within their existing resources.

Federal and local anti-deficiency laws¹ prohibit District officers and employees from exceeding appropriations in any fiscal year. If funding is available to absorb any additional costs, then the fiscal impact would be zero. For subsequent years, the additional expenditures must be included in the implementing District agency's budget and financial plan.

Background

The proposed resolution approves a new compensation system for the excepted service employees working in the District government. The compensation increases could affect approximately 300 excepted service employees throughout the District government. The new system is similar to the current DX schedule established for subordinate agency heads in that it provides for open ranges with progression based on performance.

¹ Anti-deficiency laws 31 USC § 1341 (2000) and D.C. Official Code § 47-355.01 *et sequitor* (2003).

Financial Plan Impact

Funds are sufficient in the FY 2005 through FY 2008 budget and financial plan. The proposed resolution will have to be implemented from within the existing resources of District government agencies. Federal and local anti-deficiency laws prohibit District officers and employees from exceeding appropriations in any fiscal year.